07 CV 390

UNITED STATES DISTRICT COURT'S SOUTHERN DISTRICT OF NEW YORK

MERRILL LYNCH BUSINESS FINANCIAL SERVICES INC.,

Plaintiff,

-against-

WELKO, INC., SAM KOHL, CAREN KOHL, and "JOHN DOE #1" THROUGH "JOHN DOE #12", the last twelve names being fictitious and unknown to plaintiff, being persons having or claiming an interest in or lien upon the Collateral described in the complaint,

Defendants.

RULE 7.1 STATEMENT

Pursuant to Federal Rule of Civil Procedure 7.1 [formerly Local General Rule 1.9] and to enable District Judges and Magistrate Judges of the Court to evaluate possible disqualification or recusal, the undersigned counsel for Merrill Lynch Business Financial Services Inc. (a private non-governmental party) certifies that the following are corporate parents, affiliates and/or subsidiaries of said party, which are publicly held: Merrill Lynch & Co., Inc.

Dated: New York, New York May 17, 2007

SPENCERAL SCHWEIDER (SS-2471)

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